

December 3, 2001

The United States and the WTO:
A Timetable for Global Trade Negotiations

"If [President Bush] doesn't get [Trade Promotion] authority fairly quickly, then no one will negotiate. Useful negotiations won't be able to commence." -- European Union Commissioner for Trade Pascal Lamy, following the Doha launch of global negotiations.

- **On November 14, 2001**, the United States and its trading partners launched new global trade negotiations. These negotiations – designed to reduce tariffs and trade barriers around the world – can help generate more trade, and more prosperity, in sectors of the U.S. economy ranging from agriculture and manufacturing to services and e-commerce.
- **By January 31, 2002**, a schedule for the negotiations will be formulated. The United States must take the lead in setting the pace for the negotiations, as it will help us to shape the negotiating agenda in a manner that benefits the United States and promotes free trade.
- **Beginning in January 2002**, and spanning the next 12-18 months, the United States will be formulating and tabling our negotiating proposals to further open world markets to U.S. farm products, services, and manufactured goods. By showing leadership now, we will enhance the likelihood of our proposals being accepted.
- **In mid-2003**, members of the World Trade Organization will hold a ministerial meeting to provide a progress report on the state of the negotiations and formulate ways to move them forward. In order to meet this deadline, and for the ministerial meeting to be a success, we must begin moving immediately to develop U.S. positions – and sell these positions to our negotiating partners.
- Just as U.S. leadership was essential to launch of these negotiations, an aggressive, activist approach by the United States will be critical to guarantee success for America's interests. Such an approach also enables us to build coalitions that promote common interests, as we did in the months leading up to Doha.
- Without Trade Promotion Authority, America's ability to shape the negotiating agenda will be undermined.

Agriculture

- **Beginning in January 2002**, U.S. negotiators need to begin to formulate and table negotiating

positions on a wide range of agricultural trade issues. By doing so, we can forge coalitions and eventually consensus on proposals to liberalize the world's agricultural trading markets.

- **By March 2003**, negotiators must agree on the “modalities,” or the extent to which they will cut barriers to market access and export subsidies.
- **By June 2003**, negotiators will table specific requests and offers on reducing support and protection, using these modalities.
- To meet these deadlines, the Executive branch will need an active, collaborative strategy with the Congress to develop U.S. proposals, and a subsequent campaign to garner international acceptance of these proposals.
- The United States has an opportunity to set the standard for expanding global markets for U.S. farmers and ranchers, and significantly reform export subsidies and other trade distorting practices that impede the competitiveness of U.S. agriculture.
- The WTO negotiations in agriculture are closely related to the negotiations on the Free Trade Area of the Americas (FTAA), where trading partners want to see progress in agriculture that will only be possible in the WTO. Rapid progress next year in agriculture, with substantive, credible proposals, is essential for both the WTO and FTAA negotiations.
- **In May 2002**, market access negotiations in the FTAA begin. We must develop our coordinated position in the next several months.

Non-Agricultural Market Access

- **Beginning in January 2002**, U.S. negotiators need to begin formulating and tabling negotiating positions on a full range of market-access issues for manufacturing products. Market access for manufacturing must keep pace with the progress on agriculture. The expansive agenda obtained by U.S. negotiators provides a unique opportunity to pursue America's interests.
- **Early in 2002**, we want to begin assembling coalitions to maximize the likelihood of success in the negotiations.
- **By March 2003**, negotiators must agree on the “modalities” or the extent to which barriers to manufacturing will be reduced or eliminated.
- Thus we must begin to frame our positions now.

- U.S. initiatives brought about the Information Technology Agreement, Chemical Harmonization and a host of other initiatives aimed at eliminating barriers to trade. Our efforts to promote aggressive market opening proposals will be most effective if the President has the authority to negotiate far-ranging agreements.

Services

- **By June 2002**, requests of other nations to open their services markets must be made. No later than March 2003, offers are to be made.
- An aggressive agenda for market opening in services, which now account for 80 percent of U.S. employment, from audio visual, financial services (including insurance), express delivery services and telecom services, is within reach.
- **We must begin now** to develop these requests and build support.
 - The United States is the world's leader in services; market openings in this sector are essential to promoting long-term economic growth.
 - It is essential that we ensure that there is not discrimination against services delivered via the Internet.

Dispute Settlement

- **Early in 2002**, we need to submit our proposals on reform of the dispute settlement system. By doing so, we will maximize our ability to lead the negotiating process, build consensus among our trading partners, and achieve a result that reflects U.S. interests.
- **By May 2003**, agreement must be reached on improving this system of enforcement, including making the WTO's operations more transparent. This is an important item on the agenda of many NGOs. The system of WTO rules is only as strong as our ability to enforce our rights under these Agreements.

WTO Rules

- **We must begin immediately** to put forward our affirmative agenda in the area of WTO trade rules.

- A two-stage negotiating process opens immediately. This process should result in strengthened trade rules in antidumping and subsidies, as well as new disciplines on harmful fish subsidies that contribute to over fishing.
- As tariffs have declined in the United States, American workers need strong and effective trade rules to combat unfair trade practices. Negotiators obtained a strong mandate that recognizes the importance of existing Agreements and the instruments (i.e., domestic trade laws) for enforcing those Agreements. We also obtained a commitment to strengthen the rules and address the underlying causes of unfair trade practices. America's long-term interests will be harmed unless we reinforce the rule of law.

Trade Facilitation (Customs Procedures)

- **Early in 2002,** U.S. leadership is needed in the negotiations on trade facilitation. Our leadership will help to develop proposals and forge a consensus, particularly with developing countries.
- **By the middle of 2003,** WTO members will have formulated strengthened trade rules designed to ensure the free flow of goods and services. American exporters of manufactures and agriculture require strengthened rules aimed at greater transparency and which combat corruption in customs procedures. This work is crucial to the success of our express delivery industry.

Environment

- **Early in 2002,** U.S. proposals will help to set an agenda that can promote growth, trade, and the environment.
- **By mid-2003,** a roadmap on the interaction between Multilateral Environmental Agreements and WTO rules should be established. America's interests are best addressed if we take a leadership approach to these negotiations rather than be forced to accept the results by others who might use this negotiation to introduce protection under the guise of safeguarding the environment.

Competition and Investment

- **U.S. leadership in 2002** will determine whether the WTO will succeed in developing high standard investment rules and in fostering the development of sound competition rules.
- **By mid-2003**, WTO members will be deciding how negotiations on competition and investment should proceed. The United States has an opportunity to establish the rules of the road in these areas. We have the greatest stake in ensuring openness and transparency in the regimes of newly emerging markets.